



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2017 Biennium

Bill #	HB0451	Title:	Revise funding for students with disabilities
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Primary Sponsor:	Pope, Christopher	Status:	As Introduced
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|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2016 Difference</u>	<u>FY 2017 Difference</u>	<u>FY 2018 Difference</u>	<u>FY 2019 Difference</u>
Expenditures:				
General Fund	\$151,375	\$188,649	\$177,197	\$182,634
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>(\$151,375)</u>	<u>(\$188,649)</u>	<u>(\$177,197)</u>	<u>(\$182,634)</u>

Description of fiscal impact: HB 451 includes students with disabilities up to 21 years of age who have not yet met graduation requirements in the calculation of the Average Number Belonging (ANB). The general fund cost is approximately \$340,000 in the 2017 biennium.

FISCAL ANALYSIS

Assumptions:

1. School districts currently report enrollment for all students, including those who are 19 years of age or older. For the 2014-2015 school year, schools reported 37 students in October who were between 19 and 21 years of age and had an individualized education plan (IEP). These enrollments generate 38 additional high school ANB when they are included in the calculation of average number belonging.
2. In order to be included in the ANB calculation for a district, the student must be receiving special education services from the school district and have not yet met graduation requirements.
3. HB 451 is effective on passage and approval and applies to the school fiscal year that begins July 1, 2015. The students who are between 19 and 21 years of age in the 2014-15 school year would generate additional ANB beginning in FY 2016. OPI estimates that "current year" ANB will increase by 38 ANB in FY 2016

and 38 ANB in FY 2017. These increases in current year ANB, in conjunction with 3-year ANB averaging as provided by law, translate into increases in the “budget limitation” ANB of 32 in FY 2016 and 38 in FY 2017. The budget limitation ANB are the counts that determine state support for schools and the general fund budget limits for school districts.

4. OPI estimates that the additional ANB will increase state support for schools by increasing direct state aid (DSA), guaranteed tax base aid (GTB), the Indian education for all payment, and the Data for Achievement payment.
5. OPI anticipates that a small number of the included students will be American Indian and will generate the American Indian Achievement Gap payment. The cost associated with this payment will be minimal.

	<u>FY 2016</u> <u>Difference</u>	<u>FY 2017</u> <u>Difference</u>	<u>FY 2018</u> <u>Difference</u>	<u>FY 2019</u> <u>Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Local Assistance (DSA)	\$99,996	\$119,865	\$114,497	\$118,823
Local Assistance (GTB)	\$43,713	\$60,643	\$54,334	\$55,170
Local Assistance (Indian Education for All)	\$668	\$808	\$817	\$848
Local Assistance (Data for Achieve)	\$640	\$774	\$783	\$813
Local Assistance (Retire GTB)	\$6,358	\$6,559	\$6,766	\$6,980
TOTAL Expenditures	\$151,375	\$188,649	\$177,197	\$182,634
<u>Funding of Expenditures:</u>				
General Fund (01)	\$151,375	\$188,649	\$177,197	\$182,634
TOTAL Funding of Exp.	\$151,375	\$188,649	\$177,197	\$182,634
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
TOTAL Revenues	\$0	\$0	\$0	\$0
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$151,375)	(\$188,649)	(\$177,197)	(\$182,634)

Effect on County or Other Local Revenues or Expenditures:

1. There is no county impact. However, there could be a \$34,500 local tax impact in FY 2016 and an on-going local tax impact of \$31,000 beginning in FY 2017.

Sponsor's Initials

Date

Budget Director's Initials

Date